

Introduced by Senator Alarcon

February 24, 2006

An act relating to economic development.

LEGISLATIVE COUNSEL'S DIGEST

SB 1775, as introduced, Alarcon. Economic development lenders.

Existing law establishes the California Industrial Development Financing Advisory Commission to, among other things, assist industrial development authorities in the planning, preparation, marketing, and sale of industrial development revenue bonds. Until January 1, 2005, to the extent funds were appropriated by the Legislature, the commission was required to establish procedures to evaluate and certify the participation of economic development lenders in a program to allow those lenders to recapitalize their financial resources to meet current demands of borrowers.

This bill would declare that stimulating a secondary market for community and economic development lenders can significantly increase the availability of capital to California small businesses and microenterprises.

Vote: majority. Appropriation: no. Fiscal committee: no.
State-mandated local program: no.

The people of the State of California do enact as follows:

- 1 SECTION 1. The Legislature finds and declares that
- 2 stimulating a secondary market for community and economic
- 3 development lenders can significantly increase the availability of
- 4 capital to California small businesses and microenterprises.

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